



MISSOURI DEPARTMENT OF MENTAL HEALTH

DORN SCHUFFMAN, DEPARTMENT DIRECTOR



DEPARTMENT
OPERATING
REGULATION
NUMBER

DOR
6.457

CHAPTER Human Resources	SUBCHAPTER Staff Development	EFFECTIVE DATE 8/15/02	NUMBER OF PAGES 3	PAGE NUMBER 1 of 3
SUBJECT Educational Loan Payments		AUTHORITY Section 630.050 RSMo.	HISTORY See Below	
PERSON RESPONSIBLE Deputy Director, Human Resources			SUNSET DATE 7/1/06	

PURPOSE: Prescribes policies and procedures for processing educational loan payments.

APPLICATION: Applies to the entire department.

(1) As used in this DOR, the following terms shall mean:

(A) "Applicant," person seeking to participate in the department's educational loan payment program;

(B) "Educational loan," debt incurred to cover reasonable educational and living expenses and shall include principal and interest. The term does not include the following financial debts or service obligations: Public Health and National Health Service Corps Scholarship training program, National Health Service Corps scholarship program, Armed Forces (Army, Navy, or Air Force) health professional scholarship programs, and loans not obtained from a government entity or commercial lending institution, such as loans from friends and relatives, and loans obtained for educational or personal expenses while at school which exceed the "reasonable" level of cost of attendance;

(C) "Educational loan payment," a loan paid in full or in part by a department facility if the participant renders primary care, treatment, or habilitation in a department facility or program;

(D) "Participant," a licensed or otherwise qualified professional who has commenced practice as a primary care provider in the department's employment and who is receiving educational loan payments under this DOR;

(E) "Satisfied," paid in full.

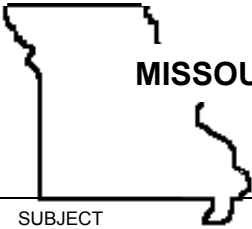
(2) Heads of facilities may make educational loan payments to recruit critical professionals with funding variances resulting from vacancies in the budgeted positions and with approval of the division and department directors.

(3) To be approved to use educational loan payments to recruit for certain critical positions, heads of facilities shall recommend to the division and department directors that the following criteria are met:

(A) the facility has budgeted vacant positions in the desired classifications;

(B) the facility has documented its unsuccessful recruitment efforts to fill the vacant positions;

(C) the facility plans to have funds available to make the educational loan payments with funding variances resulting from the vacancies in the budgeted positions;



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(D) the facility needs the expertise in the desired classifications to meet accreditation, certification or other critical treatment operational requirements;

(E) the facility has made an effort to recruit minorities to participate in the program.

(4) The educational loan payments shall be paid from personal services for classified employees on a pay step of the existing classified pay grid most nearly approximating the educational loan payment intent. The head of the facility shall obtain a written agreement on DMH Form 9005 that the extra pay will terminate at a specified date when the loan should be satisfied or the educational loan payment time limit reached.

(5) The educational loan payments shall be subject to the following:

(A) No more than twenty-five percent (25%) of an applicant's total educational loan may be paid per year (e.g., for an applicant whose educational loans totals \$20,000, the loan payments shall not exceed \$5,000 a year for four years; in the same situation where the applicant has already paid half -- \$10,000, the loan payment would be \$5,000 a year for two years).

(B) The loan payments shall not exceed \$500 a month (\$6,000 per year).

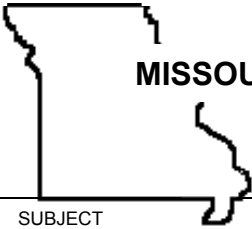
(C) The loan payments can only be made for an "educational loan" to pay for tuition, books, incidental fees, and living expenses while enrolled full-time in graduate or undergraduate courses leading to a degree to qualify the participant to meet minimum qualifications for certain desired classifications such as registered nurses or occupational therapists.

(D) The educational loan payment cannot exceed the reasonable level of cost as determined necessary to pay support, tuition, books, incidental fees, and living expenses for a student completing work towards a comparable degree in the University of Missouri system.

(6) Once approved, facility officials shall annually review the indebtedness status of the participant. During the review, the participant shall show evidence that the loan payments are being made. Participants shall agree to execute a release to allow the department access to loan records and to acquire information from lenders necessary to verify eligibility and to determine payments. Loans may not be renegotiated to accelerate payment.

(7) The participant receiving the educational loan payment shall be fully responsible for paying the loan. The department, facility or various state officials shall not be responsible for paying the loans.

(8) The department director by directive may specify certain classifications or other conditions to be met for the educational loan program.



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(9) A person may not receive an educational loan payment for educational loans receiving during any periods the person also received an educational stipend from the department.

(10) Failure to comply or assure compliance with the provisions of this Department Operating Regulation may be cause for disciplinary action up to and including dismissal.

(11) The Director of the Office of Human Resources will review and analyze any statutory, regulatory or policy changes as they occur to determine their effect on the provisions of this Department Operating Regulation and will make changes as necessary.

History: Original DOR effective July 1/1990. Amendment effective July 1, 2002. Emergency amendment effective August 15, 2002, expires March 31, 2003. Emergency amendment made final February 15, 2003.